

Top IT Trends for 2016: Customer Experience



As businesses and brands become ever more competitive, vying for attention in a cluttered marketplace, communication and interaction with customers can prove to be a prime differentiator. Every interaction between a customer and your organisation forms their expectations and brand perception. A positive experience can encourage brand attachment, trust, and loyalty among customers, eventually improving business performance and driving higher revenue.

The ability to deliver a compelling, engaging and successful customer experience (CX) continues to stand out as a distinguishing factor that sets businesses apart from one another. Of all respondents to the **2016 Global Contact Centre Benchmarking Report**, 83% view the contact centre as key differentiator for business.

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The benefits of an improved CX can also include a reduction in costs and increased employee engagement, and there's a clear focus in the market on achieving full integration across channels within the next two years.

The convergence of physical and digital, and the migration of traffic to digital channels such as social media and mobile, means organisations have had to transform their strategies to keep pace with customer expectations. Power has shifted in favour of consumers as digital channel choices combine with social media to alter behaviours.

Technology has become an enabler, with contact centres evolving into contact hubs, creating a seamless CX. Businesses need to innovate and orchestrate their efforts in order to create a unified CX across various channels.

These are the top five trends the to look out for in the year ahead:

Trend 1: Connecting the customer journey

The requirement for a seamless CX across an increasing number of channels including telephone, email, website, social media, SMS text, web chat, and branch walk-ins has increased the demand on contact centres to create a unified experience.

CX must be orchestrated across the entire organisation as all possible customer contact points now come into focus to create seamless customer journey through an omnichannel approach.

Where previously contact centres were considered disparate from other customer-facing departments like sales, marketing, and distribution, the realisation that CX is connected regardless of its sequence has given rise to the need for improved integration. Our research shows that a positive interaction is now proven to encourage loyalty and customer advocacy and shapes buying experience and customer behavior.

Customers are showing a reluctance to endorse organisation's attempts to migrate their interactions to digital-only channels, forcing organisations to shift their emphasis to connecting the journey and a renewed attention to customer-centricity. While there's still potential for cost reduction and automation at contact centres, trends show that this is no longer taking precedence. CX is dominating attentions.

Trend 2: Increased service personalisation

Increased service personalisation, or offering customers an enhanced choice tailored to their needs, behaviours, and expectations, delivers a better CX.

Personalisation capability based on profile, menu option, and channel path selections is rising to new heights as the number of organisations pre-identifying and segmenting customers has increased.

Many service providers are introducing limited aspects of service personalisation made possible, and underpinned by, omnichannel. Service personalisation is mainly achieved through channel prioritisation and the establishment of customer groupings, such as high-value or gold card customers, allowing for prioritised service for specific campaigns or events.

By offering elements of choice, which is critical to enhancing CX, organisations are again acknowledging CX as a key differentiator to their business.

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'CX must be **orchestrated** across the **entire organisation...**'

Trend 3: Proactive automation

With the growing move to digital channels, improving service capability through self-service virtualisation enhanced with artificial intelligence signals a further move to automation. Digital channels are now the norm for sales, marketing, and default notifications.

Respondents to the **2016 Global Contact Centre Benchmarking Report** anticipate that digital self-service requirements will rise over the next two years, with over two-thirds of respondents anticipating an increase in overall interaction levels and a significant reduction in agent-led phone traffic.

Automation enables a drop in agent-led techniques and while technologies such as voice biometric identification are still niche, this promises to be a significant growth area over the next year. The advent of virtual agents means that increased knowledge provides power to enhance the CX by delivering real-time information. These developments have exciting implications for self-service as well as workforce optimisation and cost cutting.

Self- or assisted-services can improve CX, reduce costs and respond to customers' appetite for digital as part of an omnichannel strategy. Proactive automation techniques that pre-empt customer needs is an inevitable next step and will be a capability for the majority by the end of the year.

However, despite these developments, there's still a need in CX for specialists with decision-making capabilities to play a central role in customer interactions. Many diverse digital channels still require live agents, and a human touch, to drive them and orchestrate efforts.

Trend 4: Understanding the power of analytics and real-time knowledge management

Improved analytics, and a heightened ability to evaluate and understand the data they contain, are enhancing organisations' ability to enrich the customer journey and enable better performance management.

In the **2016 Global Contact Centre Benchmarking Report**, analytics were again voted the top factor that will reshape the industry.

While headline performance analytics tools are now the norm, these don't show the big picture or allow for an integrated customer journey, and there's still potential to capture more data from social media activity.

The traditional process of measuring channel-by-channel activity has moved to real-time omnichannel analysis, allowing an understanding of what's trending, competitor offerings, and customers' needs. This different approach to the operational management of contact centres changes the understanding of what constitutes good customer service.

A dramatic change in the application and understanding of data has signaled a shift in the appreciation of the benefit and value that analytics can have for an organisation. The interpretation of data into customer knowledge and even projective analytics, rather than reactive information, result in a well-defined CX.

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Trend 5: Technology solutions: cloud, consolidation, and cost

Communicating via digital channels means the changing CX model has given organisations further opportunity for cost reduction. Technology provides the opportunity to work smarter and manage costs rather than merely cutting them, which is in line with organisational goals to reduce costs while improving productivity.

Overall, there's a definite focus on delivering more effective services.

However, diverse channels which all require management and oversight can place strain on budgets, as the same funds often now have to stretch across a variety of channels, including social media.

Integration and legacy infrastructure challenges are the top inhibitors to improving technology systems, as organisations attempt to integrate multiple technologies with legacy systems which inhibit flexibility and progress but can't be replaced.

Many IT departments are under increasing pressure to integrate services such as cloud computing, for the purposes of innovation and cost cutting. Particularly as existing technologies can slow down the creation of a seamless experience, while demand continues for more robust and efficient solutions to assist with cost reduction initiatives.

Of all respondents to the **2016 Global Contact Centre Benchmarking Report**, 60% said they plan to locate their technology in the cloud, with on-premise and rented data centres becoming less attractive. Reasons for the popularity of a migration to hosted or cloud technology include access to new functionality, a reduction in cost, better security, improved flexibility, and increased speed to market.

This means an orchestrated organisation with a seamlessly designed CX becomes ever more important in order to coordinate dislocated channels with support provided by the appropriate technology.

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